MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY PERMITTING AND COMPLIANCE DIVISION ENVIRONMENTAL MANAGEMENT BUREAU RECORD OF DECISION

FOR

GARNET USA MINE AMENDMENT NO. 003
TO OPERATING PERMIT NO. 00157
MADISON COUNTY, MONTANA
MARCH 2014

Section 1 - Background

1.1 Introduction

Operating Permit No. 00157 was issued to Cominco American Resources Incorporated (Cominco American) in 1995. The operating permit approved reprocessing of garnet near Alder, Montana from the dredge tailings along Alder Gulch within a 511 acre permit boundary. Historically, the site had been mined for gold by dredging. The operating permit also approved a processing plant site in the permit boundary (Figure 1). The site is hereinafter referred to as the Alder Gulch processing plant site.

In 2007, DEQ issued an amendment to Operating Permit No. 00157 allowing mining of a garnet-rich alluvial deposit known as the Red Wash Alluvial site, approximately three miles southeast of the Alder Gulch processing plant site. Materials mined at the Red Wash Alluvial site were transported to and processed at the Alder Gulch processing plant site (Figure 2). The Red Wash Alluvial site was mined from 2007 to 2010, when it was reclaimed. In January 2012, Operating Permit No. 00157 was assigned to Garnet USA.

Garnet USA amended Exploration License No. 00642 to continue exploration at a site known as the Red Wash Hard Rock (RWHR) Mine site in early 2013. The Red Wash Hard Rock Mine site is located about 1.5 miles southeast of the Red Wash Alluvial site and about 4.5 miles from the Alder Gulch processing plant site. The exploration license amendment allowed Garnet USA to conduct

drilling, trenching, and removal of a 10,000 ton bulk sample of ore from the RWHR Mine site for testing and evaluation.

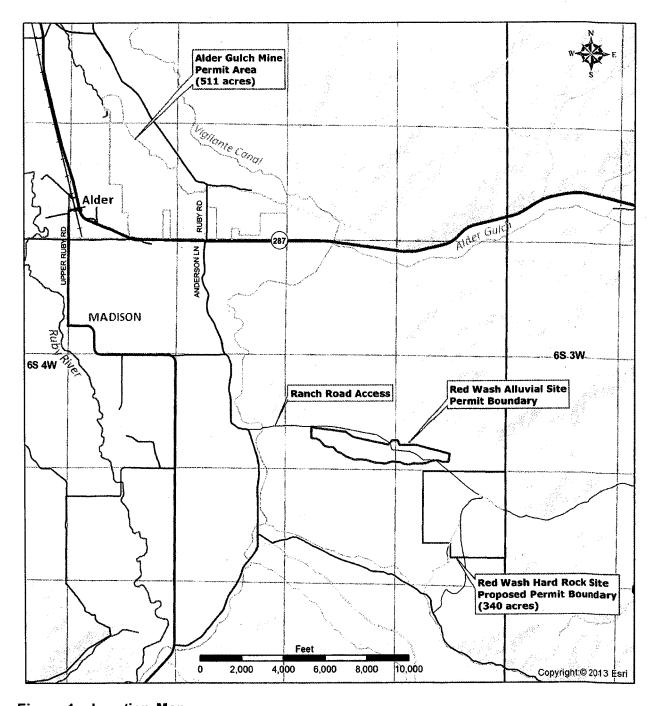


Figure 1 - Location Map

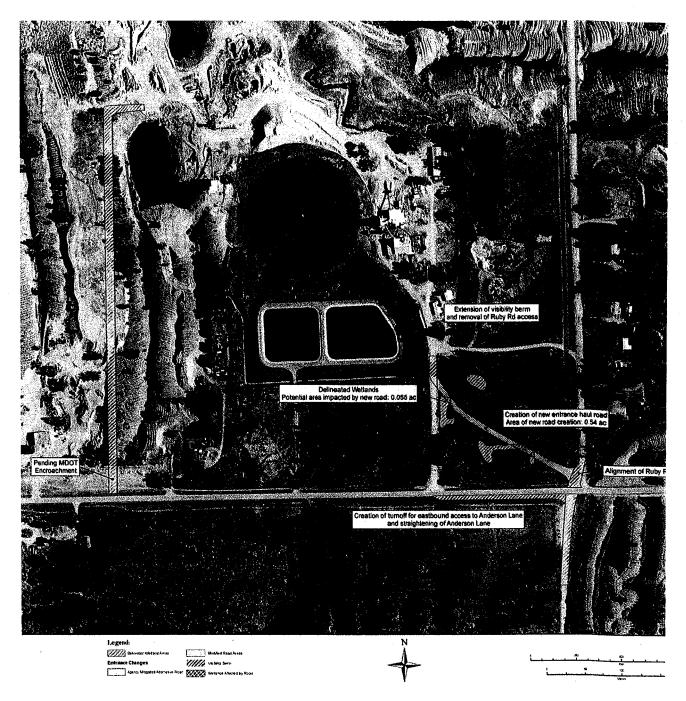


Figure 2 - Processing Plant Aerial Map

Garnet USA submitted an application to amend Operating Permit No. 00157 on August 2, 2012. The purpose of the amendment is to authorize Garnet USA to mine garnet ore at the Red Wash Hard Rock Mine site. The garnet resource present at the Red Wash Hard Rock Mine site would extend the life of the mining operation by up to 37 years. Garnet ore extracted from the Red Wash Hard Rock Mine site would be processed at the Alder Gulch processing plant.

Pursuant to Section 82-4-337, MCA, DEQ reviewed the amendment application for completeness and compliance with the requirements of the Metal Mine Reclamation Act (MMRA). DEQ issued the first deficiency letter to Garnet USA on September 18, 2012. After receipt of additional information, DEQ determined that the amendment application was complete and compliant and issued a draft operating permit amendment on February 27, 2013.

Issuance of the draft permit amendment as a final permit amendment is the proposed state action subject to review under the Montana Environmental Policy Act. DEQ prepared a Draft and Final EIS for the proposed amendment to the operating permit. The Final EIS analyzed the possible environmental impacts of three alternatives: the No Action Alternative; the Proposed Action; and the Agency-Mitigated Alternative.

1.2 Project Area Description

The geographic scope of this EIS includes areas near the town of Alder, Montana, in Madison County. The areas potentially affected by the Proposed Action include the existing Alder Gulch processing plant site, the proposed Red Wash Hard Rock Mine site, and areas within the proposed mine permit boundaries, as well as an alternate access road connection to the processing plant.

The Red Wash Hard Rock Mine site has a 340-acre permit area of which approximately 213 acres would be disturbed over the life of the mine. The disturbed acreage would encompass a pit, waste rock stockpile, ore storage area, growth media storage area, crushing and screening area, roads, fleet ready line area, soil stockpile areas, and sediment control areas. The mining plan for the Red Wash Hard Rock Mine site provides for the extraction of garnet-bearing rock using standard quarry mining methods.

Garnet ore would be crushed and hauled to the Alder Gulch processing plant where it would be washed, sorted, and processed for sale and distribution. After mine closure, the area would be reclaimed in compliance with the MMRA.

1.3 DEQ's Responsibilities and Purpose of the ROD

DEQ administers the MMRA, (Section 82-4-301, et seq., MCA), the Montana Water Quality Act (Section 75-5-101, et seq., MCA), the Clean Air Act of Montana (Section 75-2-101, et seq., MCA) and other applicable laws. For actions that may affect the quality of the human environment in Montana, DEQ must comply with the procedural requirements of the Montana Environmental Policy Act, (Section 75-1-101, et seq., MCA).

The purpose of this Record of Decision (ROD) is to set forth a concise public record of DEQ's decision on Garnet USA's application to amend its operating permit. The ROD serves as a public notice of what the decision is, the reasons for the decision, and any special conditions surrounding the decision or its implementation.

Section 2 - Public Involvement

2.1 Public Involvement

DEQ published a public notice asking for input on the application on August 8, 2012. DEQ published a notice of the public scoping period and the public scoping meeting in the Butte newspaper, the *Montana Standard*, on March 24 and March 31, 2013 and in the Ennis newspaper, the *Madisonian*, on March 28 and April 3, 2013. In addition, DEQ mailed scoping notices to over 150 agencies and individuals who had expressed interest in the project. On April 16, 2013 DEQ held a scoping meeting in Alder, Montana at the Alder Community Hall. Comments made at the meeting and received via postal mail or e-mail were compiled by DEQ and entered into the administrative record. The scoping period ended on April 26, 2013.

DEQ issued the Draft EIS on September 29, 2013 which opened the public comment period. The Draft EIS was listed on DEQ's website (http://www.deq.mt.gov). On October 16, 2013, DEQ held a public meeting in Alder, Montana at the Alder Community Hall to solicit input on the DRAFT EIS. Approximately 22 members of the public attended the meeting. DEQ received additional comments on the Draft EIS via fax, postal mail, or e-mail. The comment period on the Draft EIS closed on October 31, 2013.

All written and oral comments were reviewed and considered during preparation of the Final EIS. Comments that presented new data, questioned facts or analysis, or raised questions or issues bearing directly on the alternatives or environmental analysis received a response in the Final EIS. Comments expressing personal opinions were considered but received no response.

2.3 - Issues of Concern

Scoping comments focused on potential impacts related to transporting the garnet ore material from the Red Wash Hard Rock (RWHR) Mine site to the Alder Gulch processing plant, the potential for water quality impacts to surface and groundwater, and concerns related to lights, noise, and dust produced by the processing plant.

DEQ identified the following resources that may be affected if Garnet USA's proposed amendment was approved:

- Soils and Vegetation Resources
- Surface and Groundwater Resources
- Noise
- Air Quality
- Transportation
- Wildlife and Fisheries
- Aesthetic Resources
- Social and Economic Conditions

2.4 Issues Considered but Not Studied in Detail

During scoping, the possibility of moving the Alder Gulch processing plant from its current location to the RWHR Mine site was raised. Operation of the processing plant at the Alder Gulch site, however, is approved under Operating Permit No. 00157. Garnet USA did not include relocation of the processing plant in its application to amend the operating permit.

DEQ has the authority to unilaterally modify the terms of an existing operating permit only for one of the following reasons:

- 1. To modify the requirements so that they will not conflict with existing law;
- 2. When the previously adopted reclamation plan is impossible or impracticable to implement and maintain;
- 3. When significant environmental problem situations not permitted under the terms of regulatory permits held by the permittee are revealed by field inspection and the department has the authority to address them under the provisions of the Metal Mine Reclamation Act.

None of these reasons exists in regard to operation of the processing plant at the Alder Gulch site. Because relocation of the processing facility is neither requested by Garnet USA nor within DEQ's unilateral authority, relocation of the processing plant to the RWHR Mine site was not considered in detail.

In addition, the RWHR site does not have sources of water and electricity that are necessary for operation of the processing plant. Nor is there adequate, suitable terrain to relocate the processing plant and its associated facilities on land controlled by Garnet USA at the RWHR site. All of the property controlled by Garnet USA at the RWHR site is included in the permit area, and will be occupied by the mine or mine facilities (ore and waste stockpiles, and growth media storage areas) or is too steep.

Section 3 - Alternatives Considered

Chapter 2 of the Final EIS describes the alternatives analyzed and the alternatives considered but excluded from detailed analysis. The potential environmental impacts of the following alternatives were analyzed in detail in Chapter 4 of the Final EIS.

- No Action Alternative
- Proposed Action
- Agency-Mitigated Alternative

A complete description of these alternatives can be found in the Final EIS Chapter 2. DEQ considered, but dismissed without considering in detail, moving the processing plant to the RWHR Mine site.

Section 4 - Decision and Rationale for Decision

DEQ has selected the Agency-Mitigated Alternative after considering the potential impacts of all the alternatives. Issuing the amendment to the operating permit under the Agency-Mitigated Alternative would allow Garnet USA to develop the RWHR Mine site and process the ore at the Alder Gulch processing plant. The Agency-Mitigated Alternative is the same as Garnet USA's Proposed Action, with the addition of the following stipulations requiring Garnet USA:

- To design and develop a diagonal access road to direct truck traffic away from residential areas along Ruby Road. The existing East Road entering the processing plant area from Ruby Road would be abandoned.
- To extend the visibility berm described under the Proposed Action to the south across the old East Road entrance as far as needed to block the old entrance road and further shield the residents from the plant operations, employee traffic, haul truck traffic, and the associated noise, dust, and light.
- To expand the current groundwater monitoring plan at the Alder Gulch processing plant site
 to include more sampling locations and to evaluate selected water quality parameters,
 including the potential for nitrogen compounds from blasting compounds.
- To install monitoring wells at the RWHR Mine site and conduct water quality monitoring periodically.
- To monitor water quality parameters at the south and west sediment control basins at the RWHR Mine twice per year.
- To regrade as necessary disturbed areas before spreading salvaged soils. Compacted
 areas would be ripped with a dozer or grader to at least a depth of 12 inches prior to
 resoiling. Stockpiled soils or settling pond fines would be spread six inches deep.
- To ensure revegetation and reduce compaction by taking the following action: once the soil has been placed, any compacted areas would be ripped again with a dozer or grader to at least a depth of 12 inches prior to reseeding at the mine site and 6 inches at the plant site. Areas would be seeded with an approved seed mix.

In order to be approved, a mining operation must comply with the Clean Air Act of Montana and the Montana Water Quality Act. In addition, a reclamation plan may not be approved under the MMRA unless it satisfies the requirements and standards set forth in Section 82-4-336, MCA, including sufficient measures to prevent the pollution of air or water and the degradation of adjacent lands.

The Proposed Action provides adequate protection of the air and water resources. Two Montana air quality permits cover the activities to be conducted under the proposed permit amendment, and air quality impacts are expected to be minor. In addition, testing of rock from the proposed pit area indicated no potential for acid generation, no potential for metal leaching from the rock, and no potential for production of asbestiform minerals. Proper management of explosives by Garnet USA should limit nitrogen concentrations in groundwater to non-significant levels. While impacts to surface and groundwater are not expected under the Proposed Action, the Agency-Mitigated Alternative contains additional monitoring requirements. The purpose of the monitoring is to ensure compliance with the terms and conditions of the approved mining and reclamation plans, to detect problems early, and to provide a basis for directing remediation of unanticipated problems. Garnet

USA will submit a revised monitoring plan to DEQ for review and approval. The revised plan must include all the additional water monitoring locations, frequency, and parameters noted in the Agency-Mitigated Alternative.

The Metal Mine Reclamation Act requires a reclamation plan to provide for revegetation if appropriate to the future use of the land as specified in the reclamation plan. The Proposed Action requires the reestablishment of vegetation suitable for grazing and wildlife habitat at portions of the Alder Gulch processing plant site and at portions of the Red Wash Hard Rock Mine site. The Agency-Mitigated Alternative includes several additional requirements related to revegetation, including ripping areas to relieve compaction of reclaimed areas, to assist in the reestablishment of the required vegetation.

Finally, the Agency-Mitigated Alternative contains several mitigation measures to reduce impacts to residents living near the Alder Gulch processing plant. While DEQ does not have statutory authority to include mitigation measures addressing noise and visual impacts on residential areas, these mitigation measures are included as stipulations to the operating permit with the consent of Garnet USA.

As discussed below, the reclamation plan for the Red Wash Hard Rock Mine site that is set forth in the Proposed Action satisfies the MMRA's reclamation requirements for open pits and rock faces. The reclamation plan is carried forward in the Agency-Mitigated Alternative.

Section 5 - Compliance with Legal Mandates

This section explains how the selected alternative satisfies DEQ's statutory mandates.

5.1 Montana Environmental Policy Act (MEPA)

MEPA requires state agencies to conduct an environmental review when making decisions or planning activities that may have a significant impact on the environment. MEPA and the administrative rules promulgated under MEPA define the process to be followed when conducting an environmental review. The Draft EIS, Final EIS, and this Record of Decision comply with the procedural requirements of MEPA.

5.2 Metal Mine Reclamation Act (MMRA)

5.2.1. Procedural Compliance with MMRA

In 2011, the Montana Legislature made procedural changes to the permitting provisions of the MMRA by enactment of Senate Bill (SB) 312. The changes are set forth in Section 82-4-337, MCA. Section 82-4-337(1)(e), MCA, requires DEQ to issue a draft permit when it determines that an operating permit application is complete and compliant. Under Section 82-4-337(1)(f), MCA, issuance of the draft permit as a final permit is the proposed state action that is subject to review DEQ Record Of Decision, March 2014

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under MEPA. Similarly, Section 82-4-337(h)(iv), MCA, provides that a final permit amendment may not be issued until the review pursuant to MEPA is completed or one year has elapsed after the draft permit is issued. Thus, the Montana Legislature has directed DEQ to comply with MEPA after DEQ determines that a permit application is complete and compliant and issues a draft permit. This procedure also applies to applications for major amendments of an operating permit.

SB 312 did not make any substantive changes to MEPA. Under MEPA state agencies are required to consider alternatives to a Proposed Action in an environmental assessment or environmental impact statement. The Agency-Mitigated Alternative was developed by DEQ to satisfy its statutory obligation to consider alternatives to a Proposed Action under MEPA. Thus, DEQ has complied with Section 82-4-337(1), MCA, by issuing a draft permit amendment upon determining that Garnet USA's permit amendment application was complete and compliant, and then performing an environmental review which complied with MEPA, including analysis of reasonable alternatives to Garnet USA's proposed permit amendment.

Section 82-4-337(2)(b), MCA, expressly gives DEQ the authority to include stipulations in a final permit amendment that were not included in the draft permit amendment. DEQ may do so either with the applicant's consent or upon providing the applicant with a written explanation as to the reason for the stipulation and the reason the stipulation was not included in the draft permit amendment. Thus, Section 82-4-337(2), MCA, contemplates situations in which issues are first identified in the MEPA review. It provides DEQ with an avenue for addressing those issues by giving it the authority to include stipulations in the final permit amendment that were not included in the draft permit amendment issued prior to the environmental review.

The Agency-Mitigated Alternative includes seven stipulations that were not included in the draft permit amendment. Garnet USA is required to:

- 1) Develop an alternative east entrance to the Alder Gulch processing plant,
- 2) Extend the planned visibility berm south along Ruby Road,
- 3) Increase water quality monitoring at the processing plant,
- 4) Develop additional groundwater monitoring wells at the RWHR Mine site,
- 5) Monitor the sediment catchment basins at the RWHR site,
- 6) Regrade and rip areas prior to resoiling, and
- 7) Rip compacted soils to 6 to 12 inches to ensure better revegetation success.

These seven stipulations are being included in the final permit amendment with the consent of Garnet USA. Thus, DEQ has complied with Section 82-4-337(2), MCA.

5.2.2. Substantive Compliance with MMRA

In enacting the MMRA, the Montana Legislature found that it is not practical to extract minerals without disturbing the surface of the earth and without producing waste material, and that the very character of many types of mining precluded complete restoration of the land to its original contour. The Montana Legislature also found that the reclamation standards set forth in the

MMRA allow for exploration and mining while adequately providing for the subsequent beneficial use of the lands to be reclaimed.

DEQ may not approve a reclamation plan unless the reclamation plan satisfies the requirements and standards set forth in Section 82-4-336. With regard to disturbed land other than open pits and rock faces, the reclamation plan must provide for reclamation of all disturbed land to comparable utility and stability as that of adjacent areas. With regard to open pits and rock faces, the reclamation plan must provide sufficient measures for reclamation to a condition:

- 1. of stability structurally competent to withstand geologic and climatic conditions without significant failure that would be a threat to humans or the environment;
- 2. that affords some utility to humans or the environment;
- that mitigates post reclamation visual contrasts between reclamation lands and adjacent lands; and
- 4. that mitigates or prevents undesirable offsite impacts.

The use of backfilling as a reclamation measure is neither required nor prohibited in all cases. DEQ's decision to require any backfill must be based on whether and to what extent the backfilling is appropriate under site-specific circumstances and conditions in order to achieve these standards.

Under Section 82-4-336(10), MCA, all reclamation plans must provide sufficient measures to ensure public safety and to prevent the pollution of air or water and the degradation of adjacent lands.

A. Red Wash Hard Rock Mine Site

With the exception of the pit highwalls, all facilities at Red Wash Hard Rock Mine site including the pit floor will be regraded, soiled, and seeded with a seed mix appropriate for grass rangeland. The grade for all facilities except the pit highwalls will be 3:1, horizontal to vertical, on average. The grade may be steepened in a natural regrade design, with agency review and approval, in some areas if materials testing indicates that steeper slopes can be incorporated without risk of excessive erosion. Variable slopes would enhance visual appeal and reduce the manmade appearance of the facilities.

A sloped highwall with a maximum height of 230 feet would remain above the revegetated pit floor. The highwalls of the reclaimed pit will be structurally competent to withstand significant failure that would be a threat to public safety or the environment. The rock faces in the pit will consist of layered metamorphic rock including garnet gneiss, amphibole gneiss, and quartzo-feldspathic gneiss which will have limited potential to ravel over time.

In addition to grading, soiling, and seeding the pit floor, Garnet USA will apply 30 inches of soil and seed safety benches in the remaining pit highwall. Reclamation of the pit benches will be conducted concurrently during the mine life. Revegetation of the pit floor and safety benches will provide grass rangeland habitat. Revegetation of the pit floor will also provide habitat for livestock grazing. Finally, Garnet USA will excavate cavities in the remaining highwalls to provide wildlife habitat for bats or nesting areas for raptors.

About 10 percent of the remaining pit highwalls will be reclaimed in a different manner provided the work can be accomplished safely. About five acres of the upper northeast corner of the highwall and five acres in the southeast corner will be partially backfilled to create 2:1 slopes, covered with rocky soils to reduce erosion, and seeded. Partially backfilling the corners of the pit highwall will provide access for wildlife and livestock.

The revegetation of the pit safety benches and the northeast and southeast corners of the highwall will also reduce the visual contrast between the reclaimed pit and adjacent lands. As the vegetation on the benches and pit corners matures, the reclaimed pit will appear similar to natural rock slopes with breaks which occur throughout the region. Stormwater retention on the planted flat benches should dramatically increase the plant growth success and enhance the habitat as well as the visual benefit.

Maximizing the revegetated flat pit floor area, and only regrading some portions of the pit highwalls would enhance the utility of post-mine use of the area for the rancher's livestock. Offsite environmental impacts are not expected. As previously indicated, garnet gneiss is a hard rock with limited potential to ravel over time. In addition, geochemical testing of rock from the proposed pit was conducted and indicated no potential for acid generation. Concentrations of metals in the rock are low, and the potential for metal leaching from the rock to be mined is considered unlikely. There does not appear to be any potential for the rock to be mined to result in degradation of groundwater. The only water impoundments are soil berms for storm water control and a sump, which should prevent offsite impacts.

Red Wash Hard Rock Mine Roads

Upon final closure of the mining activities at RWHR Mine site, the ranch roads used for haulage and access would be regraded to a width of less than 20 feet or as directed by the landowner. Gravel used in surfacing parking areas during project operations would stay, as the landowner expects to have a commercial use for the facilities when the mine life is over. As a result, the main access road would not be included in proposed site reclamation. Many temporary interior mine access and haul roads would be used for only one year of mining, and would be sequentially reclaimed as part of annual mining reclamation activities.

B. Alder Gulch Processing Plant Site

Almost all of the reclamation for the Alder Gulch processing plant site has been permitted and approved previously. The following sections describe the reclamation planned for after garnet ore is no longer processed at the Alder Gulch facility.

Topography and Vegetation

Areas would be regraded as necessary before soil spreading. Compacted areas would be ripped with a dozer or grader to at least a depth of 12 inches prior to resoiling. Stockpiled soils or settling pond fines would be spread six inches deep. Once the soil has been placed, areas would be ripped again with a dozer or grader 6 inches deep prior to reseeding. Areas would be seeded with an approved seed mix.

Ponds and Stockpiles

Following completion of the project, and final removal and salvage of silts and clays (fines) from the settling ponds, the pond would be backfilled to the original contours. The backfilled ponds would be graded and revegetated with the proposed upland vegetation species mix. The area of the settling pond fines stockpile would be graded and revegetated.

Roads

All access roads to the Alder Gulch processing plant would remain for future industrial use. Other internal roads may be regraded and reclaimed after review by DEQ with the permittee.

5.3 Water Quality Act

There is very low potential for impacts from acid rock drainage and metal mobility from exposed geologic material in the Red Wash Hard Rock Mine site. Impacts to groundwater, other than the addition of nitrogen compounds derived from blasting, are not expected. Proper explosive management in the quarry should limit nitrogen concentrations to non-significant levels.

Significant impacts to groundwater are not expected at the Alder Gulch processing plant site. The new process ponds would not intersect the water table and would be constructed with geosynthetic liners. The unlined material storage ponds would have no primary effect on the groundwater unless some residual nitrogen compounds are retained in the silts.

Garnet USA will be required to conduct groundwater monitoring at the Red Wash Hard Rock Mine site and the Alder Gulch processing plant site to ensure that unexpected impacts from nitrogen compounds do not occur.

5.3.1 Montana Pollutant Discharge Elimination System

An MPDES Permit is required for all discharges to surface water. Garnet USA has an MPDES permit (MTG490000) for the Alder Gulch processing plant site. Garnet USA did not propose any discharge of water to surface water at the Red Wash Hard Rock Mine site. A Montana Ground Water Pollution Control System permit is not required at the Red Wash Hard Rock Mine site as the Montana Water Quality Act allows groundwater discharges from projects permitted under the MMRA without such a permit.

Controls in the form of sumps or ponds will be in place to prevent discharge of storm water from the Alder Gulch processing plant site or from the Red Wash Hard Rock Mine site. Containment facilities will be designed to contain at least the 10-year, 24-hour storm event. Garnet USA will not be allowed to have storm water leaving the Alder Gulch processing plant site or the Red Wash Hard Rock Mine site without first filing for a Storm Water Pollution Prevention Plan and obtaining a Storm Water Discharge Permit.

5.4 Clean Air Act of Montana

There are two Montana air quality permits (MAQP) that cover activities under the permit amendment being considered. Air Quality Permit No. 2888-00 was issued to Cominco American in

1995 and covers operation of the processing plant. It has subsequently been transferred to Garnet USA and is currently denominated Air Quality Permit No. 2888-03. Air Quality Permit No. 4842-00 was issued to Garnet USA in April of 2013. It covers a portable crushing and screening facility. Both Air Quality Permit Nos. 2888-00 and 4842 contain emissions limitations, including limitations on opacity.

DEQ conducted environmental reviews under MEPA prior to issuing the air quality permits. Air Quality Permit No. 2888-00 contains an impact analysis in which DEQ determined that the impact to ambient air quality should be minimal. Air Quality Permit No. 4842-00 contains an impact analysis in which DEQ determined that the impact to ambient air quality will be minor and will not cause or contribute to a violation of any ambient air quality standard. The referenced air quality standards are those set forth in the National Ambient Air Quality Standards (NAAQS) and the Montana Ambient Air Quality Standards (MAAQS).

Air quality impacts as a result of the Proposed Action are expected to be minor if Garnet USA employs Best Available Control Technology (BACT) and diligently follows its dust control program (DEQ, 2013a).

5.5 Montana Hard Rock Impact Act

The current number of employees at the Alder Gulch processing plant is 40 to 50. Garnet USA anticipates employing up to 60 people if the proposed amendment is approved. Because Garnet USA is not expected to employ more than 75 persons, the Hard Rock Impact Act is not expected to be triggered. Thus, Garnet USA is not required to have a Hard Rock Impact Plan.

5.6 MEPA Cumulative Effects Assessments

Chapter 4 of the Final EIS provides a cumulative effects analysis. There are no related future actions under concurrent consideration, and no reasonable foreseeable future actions that, when considered in conjunction with past and present actions, are likely to result in additional significant impacts. Should future actions be proposed that have or may have cumulative effects, additional analysis pursuant to the applicable requirements of MEPA will be conducted.

5.7 Private Property Assessment Act

Selection of the Agency-Mitigated Alternative does not have taking or damaging implications.

Section 6 - Appeal of DEQ's Decision

This decision is subject to a court appeal by the applicant and other parties for 90 days after issuance of the Record of Decision under Section 82-4-349(1), MCA. Any action or proceeding challenging a final agency decision alleging failure by DEQ to comply with or inadequate compliance with a requirement of MEPA must be brought within 60 days after issuance of the Record of Decision pursuant to Section 75-1-201(5)(a)(ii), MCA. An applicant for a permit

amendment may request an administrative hearing on a denial of the application by submitting a written request for a hearing within 30 days of receipt of this Record of Decision pursuant to Section 82-4-353(2), MCA. The request must state the reason that the hearing is requested.

Tracy Stone-Manning, Director

State of Montana

Department of Environmental Quality

March 10, 2014

Date

The Final EIS on Garnet USA's proposed amendment to Operating Permit 00157 can be obtained by contacting DEQ MEPA Coordinator Jeffrey Frank Herrick at 406-444-3276 or from DEQ's web site (http://deq.mt.gov/eis.mcpx). Additional printed or electronic (on compact disc) copies of this ROD and the Final EIS are available upon request. The supporting project record is available for review at:

Department of Environmental Quality, Environmental Management Bureau. 1520 East Sixth Avenue PO Box 200901, Helena, MT 59620-0901.

For additional information concerning these decisions, contact Jeffrey Frank Herrick, Director's Office, DEQ, PO Box 200901, Helena, MT 59620-0901, 406-444-3276.